banks generally do not extent fresh finance to such defaulter farmers. The agriculture credit disbursed by the banks has been recording a steady increase over the years as indicated below:

Year	Amount (Rs. in crore)
1999-2000	46,268
2000-01	52,827
2001-02	62,046
2002-03	69,560
2003-04 (Estimated)	80,000

Government has announced a programme on 18.06.2004 to double the flow of agriculture credit in the next three years. The packages announced also includes the following relief measures:

1. Debt restructuring/reschedulement and fresh loans for distressed farmers;
2. One Time Settlement (OTS) Scheme for Small and Marginal Farmers;
3. Fresh finance for farmers whose earlier debts have been settled through compromise or write-offs;
4. Relief measures for farmers indebted to non-institutional lenders.

Transaction cost of banks

†1371. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether there is a need to reduce the cost of transaction by the rural and urban banks to ensure loan at lower rates to the rural and agricultural customers;

(b) whether there is a need to make improvement in the loan system by the public sector banks to provide easy loan to the customers;

(c) if so, the steps these banks are taking to achieve the above objectives; and

(d) if no, the reasons therefor?

† Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir.

(c) Reserve Bank of India has taken several steps to improve loan delivery by banks to different sectors including agriculture. These *inter-alia* include the following:-

(i) Time limits have been laid down for sanction of various types of loans;

(ii) Simplification of procedure/forms of application for loans to agriculture and SSI sectors;

(iii) Delegation of more powers to Branch Managers for lending;

(iv) Introduction of composite cash credit limits to agriculturists;

(v) Cash disbursement of agricultural loans;

(vi) Banks have been advised to fix the repayment programme taking various factors into account affecting the borrowers of agriculture sector;

(vii) Banks have been advised not to levy any penal interests/ service charges on priority sector loans upto Rs. 25000/-;

(viii) Waiver of margin/security on agricultural loans upto Rs. 50000/- and in case of agri-business and agri-clinics for loans upto Rs. 5 lakhs;

(ix) Kisan Credit Cards are in use for banking facilities to farmers.

(d) Does not arise.

Ownership of private banks

1372. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has framed new guidelines regarding ownership and control of private banks;

(b) if so, what are the details thereof; and

(c) the number and details of private banks in the country having FDI from foreign banks?